

Medtronic Announce Resolution of Abbott Laboratories Case

Terms of the agreement stipulate that neither party will sue each other in the field of coronary stent and stent delivery systems for a period of at least 10 years, subject to certain conditions. The agreement includes a \$400 million settlement payment to be made to Abbott and also results in a \$42 million success payment to evYsio Medical Devices, LLC, as part of a Medtronic sublicense to Abbott of the evYsio stent design technology. In connection with the settlement, Medtronic expects to report in its first quarter financial results a special charge to be calculated in accordance with generally accepted accounting principles.

Following the resolution of these disputes with Abbott, Medtronic has now resolved or settled substantially all intellectual property litigation affecting the stent design and stent delivery systems of its bare metal and drug-eluting stent franchise. As a result, Medtronic will now focus more resources on efforts to improve health care for patients with vascular disease.

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